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**TO: Economic Support Supervisors
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BWP/BIMA OPERATIONS MEMO

No.: 02-71

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Date: 12/18/2002

Non W-2 ☐ W-2 ☐ CC ☒

PRIORITY: Medium

SUBJECT: Child Care Maximum Rate Mass Change

EFFECTIVE DATE: February 2, 2003

PURPOSE

This memo provides information regarding the child care maximum rate mass change that will occur on February 1, 2003.

BACKGROUND

In past years, the maximum day care rate has been set for two age categories (under 2 years and 2-12 years). The rate mass change was run the last Saturday of December in CARES in order to recalculate all authorizations spanning that date with the new rates.

This year, the age categories have been changed from two age categories to four age categories in order to better reflect the price structure of the private market. Before the new age categories could be implemented, the administrative rule DWD 56 had to be changed to reflect the new age categories. The rule will not be permanent until February 1, 2003, so the rate mass change has been delayed to run on that date.

POLICY

The maximum county/tribal rates established for 2003 will set rates for 4 age categories. The 2003 maximum rates will become effective on February 1, 2003. A maximum rate mass

change will run in CARES on February 1, 2003 in order to recalculate authorizations that span that date with the new 2003 rates/age categories. The four new age categories are:

- Under 2 years
- 2 through 3 years
- 4 through 5 years
- 6 years and older

TABLE CONVERSION FROM TCMX TO TCMR

The current table (TCMX) contains the maximum rates and divisor for each provider category for each county/tribe. TCMX is structured to contain only two age categories. A new table (TCMR) has been created to accommodate the new four age category maximum rate structure.

All rates in TCMX for the current year and the past years will be converted to the new table TCMR. The conversion of rates from TCMX and TCMR will occur on January 11, 2003. All authorizations spanning January 18, 2003 will be recalculated on January 18, 2003.

TCMX will remain available to view and will display maximum rates for the years 1998-2002. TCMR will display all rates from 1998 and forward. TCMR will be used to calculate authorization amounts effective January 18, 2003.

The authorization amount could change if there has been a change in the gross income for the assistance group since the authorization was entered. If the authorization amount increases or remains the same, the authorization will split on January 18, 2003. If the authorization amount decreases, the authorization will split after a 10-day notice on February 1, 2003.

Authorization notices to both parents and providers from this conversion process will be suppressed. CNHS will display the authorization notice and the system suppression code "S". The maximum rate mass change is scheduled to run on February 1, 2003 and will again recalculate authorizations spanning February 1, 2003 and issue authorization notices to both parents and providers at that time. We did not want to confuse parents and providers by sending out authorization notices at the time of the table conversion and again at the maximum rate change.

For cases in which authorization amounts decreased, parents and providers will not be made aware of a decrease until they receive the notice from the maximum rate mass change that will be mailed on February 3, 2003. The decrease in the authorization amount will be effective February 2, 2003.

2003 MAXIMUM RATE MASS CHANGE

The maximum rate mass change will run on February 1, 2003. All authorizations that span February 1, 2003 will be included in the mass change. Authorizations will be split and recalculated when there was a change in either the maximum rates or the provider prices. If the authorization amount has increased or stayed the same, the authorization will split on February 1, 2003. If the authorization amount has decreased, the authorization will split after 10-day notice on February 15, 2003.

NOTE ➤ Maximum rates decreased in some counties, especially for the age categories of 2-3 years and 4-5 years. Many more authorizations could show a decrease in the authorized amount as compared to past years.

Authorization notices will be sent to both parents and providers. The authorization notice sent to providers will be in the report style notice that lists every authorized child at the provider location. The provider notices from the mass change cannot be accessed through CNHS. Provider authorization notices from the mass change can be accessed through EOS as follows:

CN07 Child Care Annual Rate Change Report to Providers: displays the provider notice sorted by provider number/location.

CN08 Child Care Annual Payment Rate Change Summary: displays the number of authorizations where the rate increased, decreased or stayed the same by county.

Use the Find function in EOS when trying to find a particular provider/location rate mass change authorization notice. At the Command line, key in an F, a space, and then the provider number.

Example:

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HELP-COMMAND ==> F 6800036206.
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Hit the enter key and you will be taken to the first occurrence of 6800036206, which will be highlighted. You can go to the next occurrence of 6800036206 by pressing the PF5 key.

ENTERING PROVIDER PRICES INTO CCPS

1. Enter provider prices only when they change

In past years, the rates survey collected the provider's price for the following January. The survey was critical to receiving and entering provider prices into CCPS on screen CCRA. Effective with the 2002 rate survey, providers have been asked to submit their current rates. The rates the providers have submitted for the survey should already be entered into CCPS on screen CCRA.

Providers should be reminded to send agencies their new prices each time there is a change. The local agency should enter the provider prices into CCPS with the date the rates become effective (the Sunday before the date in which the rates become effective). If the provider prices are received after they have become effective, the local agency should enter the provider prices using an effective date of the most recent past Sunday.

NOTE ➤ Local agencies do not need to enter provider prices at the time of the maximum rate mass change if the provider's price is not changing. Provider prices only need to be entered at the time when the provider price changes.

If the provider has indicated that their prices are changing effective January 1, 2003, the local agency should enter the new prices into CCPS with an effective date of December 29, 2002. This date is the correct effective date to use.

2. Enter multiple age categories only when the provider price is different.

In some situations, workers are entering the same provider price for multiple age groups on CCRA. For example, rates may have been entered as follows:

DEL CD	FROM-AGE (YRS)	FROM-AGE (MOS)	TO-AGE (YRS)	TO-AGE (MOS)	EFFECTIVE BEGIN-DATE	EFFECTIVE END-DATE	WKLY RATE
—	04	00	04	11	01 06 2002	— — —	117.50 01 09 2002
—	05	00	05	11	01 06 2002	— — —	117.50 01 09 2002
—	06	00	12	11	01 06 2002	— — —	117.50 01 09 2002

The provider prices could have been entered as follows:

04 00	12 11	01 06 2002	— — —	117.50 01 09 2002
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Multiple provider age categories should be entered on CCRA only when the provider price is different in each category. Entering one provider age category for each provider price should simplify entering provider prices as well as reduce errors. It will also reduce the number of times authorizations will split when a child's age spans one of the age groups.

LICENSED PROVIDERS WHO DO NOT RETURN THE RATE SURVEY

Licensed providers who do not return the rate survey can still be authorized as long as they have a provider price in CCPS. Licensed providers should be encouraged to participate in the survey so that the maximum rate is reflective of the prices charged in the community but, authorizations cannot be ended if the provider does not return a survey.

CONTACTS

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Note: Email contacts are preferred. Thank you.